

STATE OF ARIZONA

AUG 5 1997

DEPARTMENT OF INSURANCE

DEPT. OF INSURANCE

In the Matter of the Withdrawal of:

TAKECARE LIFE INSURANCE COMPANY
(NAIC No. 88269),

Petitioner.

Docket No. 97A-110-INS
ORDER
)

On July 31, 1997, the Office of Administrative Hearings, through Administrative Law Judge Lewis D. Kowal, submitted "Recommended Decision of Administrative Law Judge" ("Recommended Decision"), a copy of which is attached and incorporated by this reference. The Director of the Arizona Department of Insurance has reviewed the Recommended Decision and enters the following order:

- 1. The recommended findings of fact and conclusions of law are adopted.
- The Petitioner may file its Articles of Dissolution with the Arizona Corporation
 Commission.
- 3. The Petitioner is entitled to the release of its statutory deposit in the sum of \$100,000.00 and that the statutory deposit will be released to the Petitioner after the Department has received the following: (a) payment to the Department of the sum of \$3,465.00 plus the assessed penalties for failure to file a Management Discussion and Analysis Report and Certificate of Disclosure as set forth in paragraph 8 of the Findings of Fact: (b) a copy of Petitioner's Articles of Dissolution certified as having been filed with the Arizona Corporation Commission; and (c) a fully executed Form E126

1	(Notice of Trust Deposit Release). The statutory deposit will not be released until the Department
2	receives a fully executed copy of the official State Treasurer Release Receipt.
3	4. The sum of \$100.00 previously credited to the Insurance Examiners' Revolving
4	Fund will be refunded to the Petitioner, pursuant to A.R.S. § 20-159.
5	5. The Petitioner will file its 1997 Annual Statement with the Department, together
6	with all applicable fees, unless Petitioner files its Article of Dissolution with the Arizona Corporation
7	Commission on or before December 31, 1997.
8	NOTIFICATION OF RIGHTS
9	The aggrieved party may request a rehearing with respect to this Order by filing a written
10	petition with the Office of Administrative Hearings within 30 days of the date of this Order, setting forth
11	the basis for such relief pursuant to A.A.C. R20-6-114(B).
12	The final decision of the Director may be appealed to the Superior Court of Maricopa
13	County for judicial review pursuant to A.R.S. § 20-166. A party filing an appeal must notify the Office of
14	Administrative Hearings of the appeal within ten days after filing the complaint commencing the appeal,
15	pursuant to A.R.S. §41-1092.10.
16	DATED this _5_ day of August, 1997
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19	Jøhn A. Greene
20	Director of Insurance
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1	A copy of the foregoing mailed this _5 ⁺⁺⁺ day of August, 1997
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3	Charles R. Cohen, Deputy Director Mary Butterfield, Assistant Director Catherine O'Neil, Assistant Director
4	Gary Torticill, Assistant Director
5	Deloris Williamson, Assistant Director Scott Greenberg, Business Administrator Arizona Department of Insurance
6	2910 N. 44th Street, Suite 210 Phoenix, AZ 85018
7	
8	Office of Administrative Hearings 1700 W. Washington, Suite 602 Phoenix, AZ 85007
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10	Steven R. Henry Low & Childers, P.C. 2999 N. 44th Street, Suite 250
11	Phoenix, AZ 85018
12	Esther Davis
13	Colf of factors
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IN THE OFFICE OF ADMINISTRATIVE HEARINGS

In The Matter of the Withdrawal of

TAKECARE LIFE INSURANCE COMPANY (NAIC No. 88269),

Petitioner.

97A-110-INS

RECOMMENDED DECISION OF ADMINISTRATIVE LAW JUDGE

HEARING: July 30. 1997

APPEARANCES: Steven R. Henry, Esq. for the Petitioner and Kurt Regner for the Arizona Department of Insurance

ADMINISTRATIVE LAW JUDGE: Lewis D. Kowal

On July 30, 1997, a hearing took place to consider the application of TakeCare Life Insurance Company (the "Petitioner"), that was filed with the Arizona Department of Insurance (the "Department") to withdraw from the insurance business and for the release of its statutory deposit pursuant to A.R.S. §20-588 and A.A.C. R20-6-303.

Based upon the entire record in this matter, the following Recommended Findings of Fact, Conclusions of Law and Recommended Order are made:

FINDINGS OF FACT AND CONCLUSIONS OF LAW

- 1. The Petitioner has filed an Affidavit of Lost Certificate of Authority with the Department.
- 2. The Petitioner has filed with the Department certified copies of Resolutions of the Petitioner's Board of Directors and of the Petitioner's shareholder(s) authorizing Petitioner to withdraw from the insurance business by dissolution.
- 3. The Petitioner has no insurance obligations owing to it, whether by policies written direct or by reinsurance ceded to it.
- 4. The Petitioner has filed its certified financial statement as of March 31, 1997, with the Department.
- 5. At least 10 business days before the hearing of this matter, Petitioner gave special notice to creditors and policyholders of the Petitioner, setting forth the date, place, nature and purpose of the hearing, as evidenced by the affidavit of publication.

Office of Administrative Hearings 1700 West Washington, Suite 602 Phoenix, Arizona 85007 (602) 542-9826

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 Petitioner also represented that it has no creditors in the State of Arizona and has no remaining obligations or liabilities in the State of Arizona.

- 7. The Petitioner has a \$100,000.00 statutory deposit with the Department and a \$100.00 deposit with the Insurance Examiners' Revolving Fund ("IERF").
- 8. The Petitioner has complied with the provisions of A.R.S. §20-588 and with A.A.C. R20-6-303, relating to the release of its \$100,000.00 statutory deposit.
- 9. Petitioner currently owes as of July 28, 1997 the sum of \$3,465.00 to the Department and has accrued since that date and continues to accrue a \$30.00 a day penalty until Petitioner files with the Department a Management Discussion and Analysis Report and a Certificate of Disclosure in conjunction with Petitioner's 1996 Annual Statement.

RECOMMENDED ORDER

The undersigned Administrative Law Judge recommends that:

- The Petitioner may file its Articles of Dissolution with the Arizona Corporation Commission.
- 2. The Petitioner is entitled to the release of its statutory deposit in the sum of \$100,000.00 and that the statutory deposit shall be released to the Petitioner after the Department has received the following: (a) payment to the Department of the sum of \$3,465.00 plus the assessed penalties for failure to file a Management Discussion and Analysis Report and Certificate of Disclosure as set forth above in paragraph 8 of the Findings of Fact; (b) a copy of Petitioner's Articles of Dissolution certified as having been filed with the Arizona Corporation Commission; and (c) a fully executed Form E126 (Notice of Trust Deposit Release). The statutory deposit cannot be released until the Department receives a fully executed copy of the official State Treasurer Release Receipt.
- 3. The sum of \$100.00 previously credited to the IERF be refunded to the Petitioner, pursuant to A.R.S. §20-159.

4. The Petitioner shall file its 1997Annual Statement with the Department, together with all applicable fees, unless Petitioner files its Article of Dissolution with the Arizona Corporation Commission on or before December 31, 1997. Done this day, July 31, 1997.

Administrative Law Judge

Original transmitted by mail this 31 day of July , 1997, to:

Mr. John Greene, Director Department of Insurance ATTN: Curvey Burton 2910 North 44th Street, #210 Phoenix, AZ 85018-7256

By Chris Crawford Thomeson